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IMPACT OF FOREIGN DIRECT INVESTMENTS ON EMPLOYMENT IN THE REPUBLIC OF CROATIA

Recived: October 15, 2018

Accepted: December 30, 2018

Review

Abstract

Globalization has enabled "joining" the rest of the modernity project. Expressive values such as knowledge, information, symbols and communication have become an imperative. Planetary power has encouraged the movement of free international capital in the global village. Digital economy and networked politics are responsible for the freedom of movement of capital that has become the part of financial globalization. From the range of stimulating factors to the free movement of international capital, the thrust of foreign investment plays an important role. The intricacy of neoclassical theory and the neoliberal political economy have enabled stronger interconnectedness and deeper integration of national economies. Consequently, there have been changes in the way of thinking of the ruling elites in terms of importance of foreign direct investment (FDI). Such awareness has also come through to the ruling elites of the Republic of Croatia who apply the strategy of attracting FDI based on pragmatic nationalism. FDIs are incorporated into the "national box" in the Republic of Croatia as one of the tools to gain advantages. In the perspective of advantages and disadvantages, the work is focused on the employment category from the perspective of the Republic of Croatia as the recipient of FDI or political foreign direct investment (PFDI). Given the importance of attracting FDI in the Republic of Croatia, the subject of the research includes consideration of the essence of Croatian FDI and employment in the Republic of Croatia in terms of identifying the attracted investments and the correlation with the growth or decline in employment. The aim of the research is to identify and deepen the topic of FDI in Croatia and its impact on employment in the Republic of Croatia. In addition, the aim is to explore and identify key FDI providers and employment impacts.

Keywords: *direct foreign investment, political foreign direct investment, employment*

JEL: F21, J2, J3

1. INTRODUCTION

Today's world is all in globalization. And it actually is that, and it is a well known fact because there are several definitions for it. In the context of this topic and in the last two decades of the 21st century, globalization is defined as "connecting" to the rest of the modernity project where ever-greater values have "expressive values". Expressive values, in this context, meaning knowledge, information, symbols and communication (Milardović, 2011, 131). From the definition it is clear that the anthropological dimension is involved. The history of globalization as well as actors over time have constructed world power. Impressing all the more modern technologies, especially IT, created a planetary power by linking the world to the global village. Such a global village also allowed free movement of international capital. In this reference framework, capital becomes part of the process of financial globalization. As such, it anticipates the termination of restrictions and rules related to free flow of capital (Grgić, Bilas, Franc, 2012, 1). From the range of stimulating factors to the free movement of international capital, the injection of foreign investment takes an important place. Foreign investment is any investment of an individual, enterprise or state in another state or in the economy of another country (Andrijanić, Pavlović, 2016, 273). According to neoclassical theory, the form of foreign investment incentives represents an additional benefit of capital liberalization, while the neoliberal political economy emphasizes the encouragement of competition in the market, leading to the creation of better quality management policies (Andrijanić, Pavlović, 2016, 18). Both theories emphasize stronger interconnectedness and deeper integration of national economies. Furthermore, such attitudes lead to changes in thinking of ruling elites and emphasis on the importance of foreign direct investment (FDI). The Republic of Croatia (RC), as a developing country, recognizes the importance of FDI and takes the position of pragmatic nationalism (Andrijanić, Pavlović, 2016, 296). The pragmatic nationalism view is reflected in the advantages and disadvantages of FDI recipients and donors (Hill, 2011, 321). The actual adaptation of the RC to such a policy results in maximizing profits and minimizing costs. Due to adaptation, the phenomenon of political foreign direct investment (PFDI) emerged in the RC as a derivative of FDI. In the perspective of advantages and disadvantages, the essay focuses on the employment category from the perspective of the RC as the recipient of FDI or PFDI.

1.1. Subject of research

The subject of research of this paper is an analysis of the impact of direct foreign investment on employment in the RC. Given the importance of attracting FDI to the RC, as presented in the introduction to the text, *the subject of the research* includes consideration of the essence of Croatian FDI and employment in the RC in terms of identifying attracted investments and correlating with growth or employment.

1.2. The aim of research

The aim of the research is to identify and deepen the topic of FDI in Croatia and its impact on employment in the RC. In addition, the aim is to explore and identify key FDI providers and employment impacts.

1.3. Methodology

The paper deals with theoretical research based on studied literature and data on foreign direct investment and employment in the Republic of Croatia. Secondary sources of data come from articles and web sites. The descriptive method describes facts, such as theoretical and professional knowledge of FDI and employment. The sequential analysis methodology covered parts of the Strategic Plan of the Investment and Competitiveness Agency and parts of the statistical data of the Croatian National Bank and the Croatian Employment Service. The macroeconomic analysis method shows FDI RC as the recipient to which the qualitative analysis method supplements. The synthesis method shows the impact of FDI on employment in RC in order to understand the interdependence of certain parts. By creative thinking about the subject of research, the author of the paper has made conclusions that represent an explicative analysis. Inductively-deductive methods yielded conclusions and deepened insights.

1.4. Expected contribution

The contribution of this paper is reflected in the presentation of the definition and essence of foreign direct investment and the attraction of FDI in the RC with the impact on the employment of the RC. Great importance is also reflected in the recognition of FDI's impact on employment in the RC. In this respect, high school students, students, teachers, professors, politicians, and scientists can use the paper to enhance the importance of attracting FDI in the RC and its impact on employment. In addition, it can provide a differentiated approach to attracting FDI to influence employment and other categories of economic growth. The results of this research can serve as an incentive for future research in the direction of deepening the obtained research results.

2. FDI OF RC AS THE STATE RECIPIENT AND ITS EFFECTS IN THE RC

Before the very beginning, it should be emphasized that by reviewing the rich literature on the definition of direct foreign investment, there is a single definition. The essence of FDI is a financial investment. Investment is considered as a direct foreign investment if an investor purchases at least 10% of shares in an enterprise of a non-resident company with a view to securing a permanent interest in that enterprise and having a significant influence on managing it (Pavlović, 2008,

15). Such investments can be in the existing companies the so-called. Brownfield investments or the incorporation of a new company called Greenfield investments. Greenfield investments represent the most desirable form of foreign investment due to the fact that new product capacities are created and consequently, new jobs enable transfer of technology and knowledge and can lead to the creation of links to the global market since an international investor is usually a multinational company (Grgić, Bilas, Franc, 2012, 90). FDI is a key driver of international economic integration that provides financial stability, improves economic development and, ultimately, the welfare of society, but under the condition of applying a proper political framework (OECD, 2008, 3). Today's stand on FDI in the RC is pragmatic nationalism that understands the advantages and disadvantages. The benefits are reflected in their positive impact such as the impact on economic growth, exports, employment and transfer of modern technology and management and marketing knowledge and skills. Disadvantages are in the pursuit of capital to maximize profits, which leads to worries about the fate of labor (Andrižanić, Pavlović, 2016, 296). The truth is that pragmatic nationalism could not have been realized without meeting the general conditions. The general condition for realizing FDI in a global village is digital economy and networked politics. Why? Because the network does not recognize boundaries. Such information, networking company functions on the connectivity, deterritoriality, networking and interactivity of all possible social arenas (Milardović, 2010, 69).

In its policies, the RC has elaborated goals and tasks of investment. The National Security Strategy of the RC recognizes threats, risks and challenges for the RC and accordingly targets are set (Hrvatski sabor, 2011, 11). For FDI and its impact on employment, the most important goals in Section B of the Strategy refer to the well-being and prosperity of citizens. In order to understand the impact of FDI in the RC on employment, it is necessary to determine what constitutes the essence of Croatian FDI.

2.1. FDI Essence in the RC

As any other state, the RC also has its roles and goals to achieve the desired scale of development. Extended Arms to the National Security Strategy of the RC are in various documents issued by the relevant ministries and government agencies. Thus, the roles and goals of the RC for a strong and sustainable economy are contained in the strategic investment and competitiveness plans announced by the Zagreb Agency for Investments and Competitiveness. Strategic plans are complementary to documents of the Government of the RC. The Digital Economy enabled the review of the Plans. By the published plans, the RC, in order to achieve the level of development of developed countries and the average of the European Union (EU) countries, has recognized the key role in attracting and encouraging foreign direct investments, particularly Greenfield investments. The general objective of the RC defined by the Plan implies the implementation of policies and

measures to increase the competitiveness of the Croatian economy with a particular emphasis on promoting investment and improving the investment environment and promoting the RC as a preferred investment destination (AIK, 2017, 1-19). By exploring the persuaded key roles and goals for the years 2014 to 2019 (after the accession of the RC to the EU) there is a uniformity in terms of the "copy-paste" format (AIK, 2014-2016, 1-19). The founder of the Agency is the Government of the RC. The goals of the Plan have been announced by the Government through the irrefutableness to support investment climate improvement and proactive approaches. In addition, all the Plans have been drawn up without the planned/achieved for the previous period. It is not irresponsible to pose a question on the basis of what the Strategic Plan 2017 -2019 has been drafted? Transparency is not questionable here in terms of document disclosure, but it is questionable in the tendency to fight for the prosperity and well-being of Croatian citizens. Such frivolity leaves the impression of the disinterest of the political elite for FDI as well as an unobtrusive strategy for attracting foreign investment. It can be concluded that institutionally the RC is ready to attract FDI. Surely investors are only institutionally prepared, but not pragmatically.

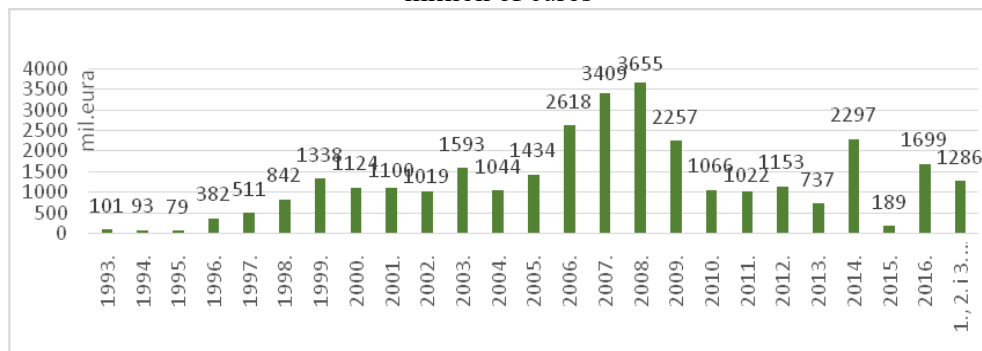
The major investors in developed countries are multinational companies (MNCs) and do not exclude the RC as well. MNCs are international companies, but not by share in the ownership, but by establishing companies in different countries (Babić, 2008, 104). 91% of all foreign investments account for them (Pavlović, 2008, 27). States and MNCs need each other. States are the source of wealth: they invest and create jobs. Just as states need MNC for their prosperity, MNCs need states because they are the ultimate guarantor of the state order (Defarges, 2006, 147). As it is in the world, so it is in the RC. All MNC activities through FDI with negative and positive consequences are part of the Croatian everyday life. FDIs are incorporated into a "national box" in the RC as one of the tools to achieve the benefits of a policy of pragmatic nationalism. MNCs are the dominant investors with different motives, and expansion is through FDI. From the presented, it is obvious that the essence of Croatian FDI is the Greenfield investment of the RC as a recipient by the MNC. Are FDI still a trap for the RC?

2.2. Influence of FDI on Croatia's Employment: Incentive or Trap

The global economy map today is the result of many years of evolution and only a historical review can help to understand the present (Dickens, 2011, 14). Creating the right image of "FDI map in the RC" is an inevitable depiction of the inflow of FDI inflows into Croatia, then defining who are the global players and who and in which year the same player contributed to the direct investment in Croatia. Figure 1 shows the inflow of foreign direct investments in Croatia from 1993 to the first three quarters of 2017. It is evident that since the independence of the RC until the end of the Homeland War in 1995 the inflow was declining. Since 1997 the inflow of FDI has been increasing steadily and the constant from 1999 to 2005 has been

observed. FDI rose sharply in 2006, when FDI rose by 82.56% compared to the previous year. Growth continues in 2007, reaching its peak in 2008 as a result of the world's economic crisis and policy-making in the RC. Furthermore, since 2009 it has been in continuous decline. The RC experienced a collapse of upward influx in 2013. In the following year, there was an increase of 2.24 million euros. The total collapse came in 2015 with a fall of 91.85%. Growth will continue in the following 2016 at the beginning of the 21st century.

Figure 1. Inflow of FDI into Croatia in the period of 1993 to March 31, 2017 in million of euros

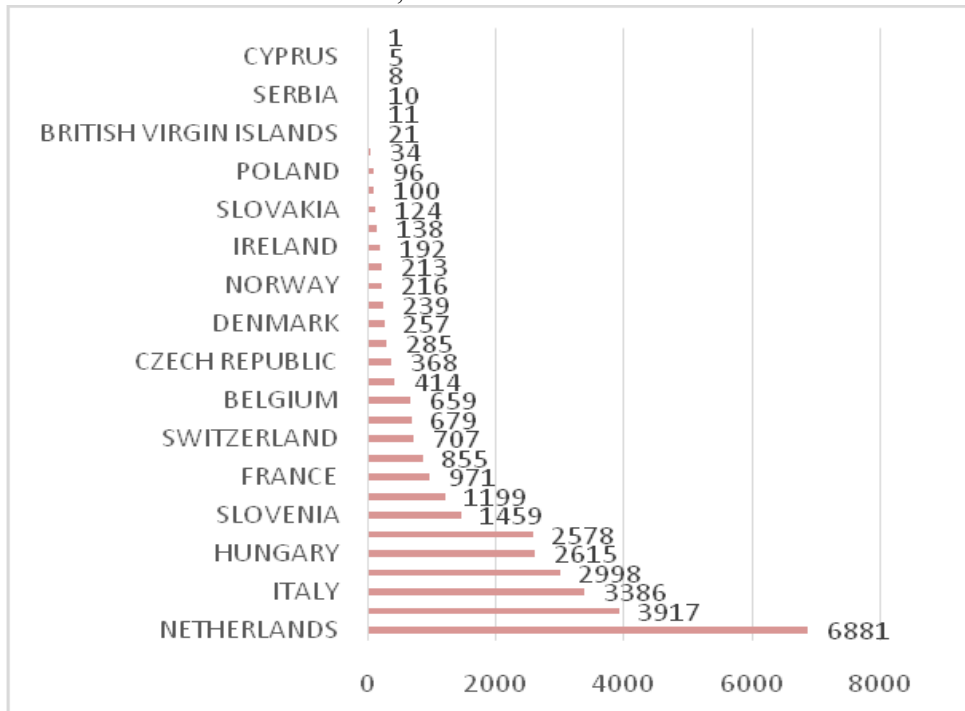


Source: HNB, (2018),

<https://www.hnb.hr/statistika/statisticki-podaci/sektor-inozemstva/inozemna-izravna-ulaganja>, (accessed 10 June 2018)

Countries that have most contributed to the inflow of FDI in Croatia are shown in Figure 2 for an identical period as in Figure 1. The total inflow in the said period amounted to 31,582 million euros (HNB, 2018, 1) while the highest inflow of FDI came from EU countries with an investment share of 89.20%.

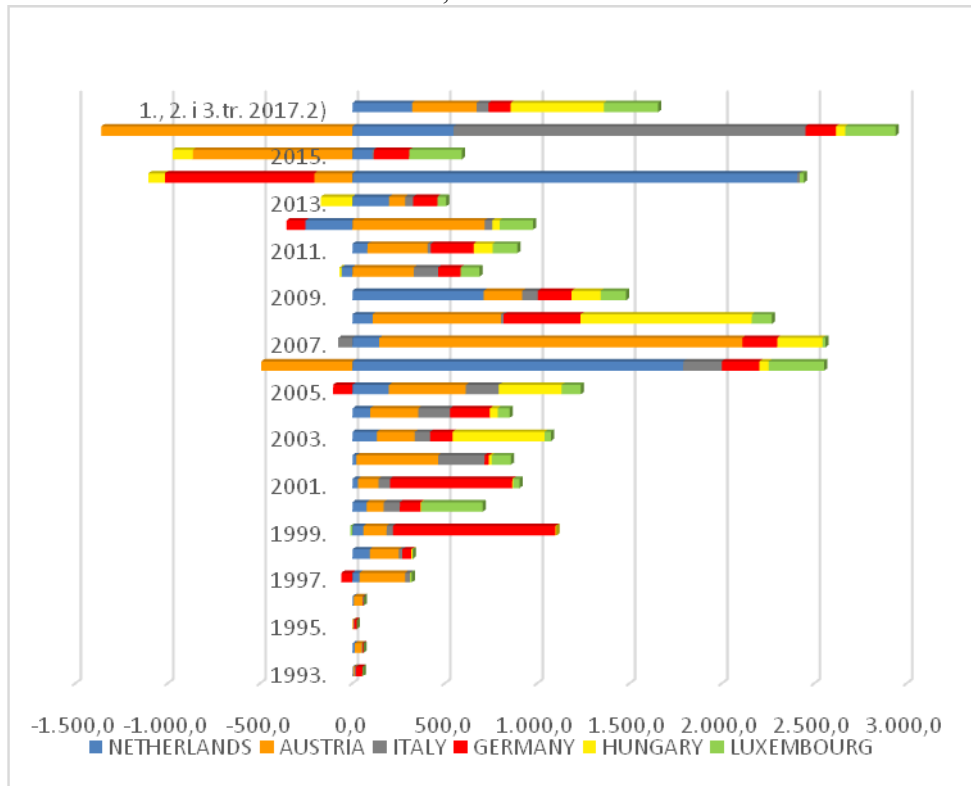
Figure 2. FDI inflow into Croatia by countries in the period from 1993 to 31 March 2017, in millions of euros



Source: HNB, (2018), <https://www.hnb.hr/statistika/statisticki-podaci/sektor-inozemstva/inozemna-izravna-ulaganja>, (accessed 11 June 2018)

The countries of the Netherlands, Austria, Italy, Germany, Hungary and Luxembourg contributed to the RC with the highest FDI in the mentioned period. The following question arises: what are the countries that invested most through FDI in Croatia? Figure 3 shows Hungary as the strongest player in 2003 and 2008, followed by the Netherlands in 2006 and 2014, and already in the first quarter of 2017, Hungary, Austria, the Netherlands and Luxembourg are ahead.

Figure 3. Overview of FDI by country and years in the period from 1993 to 31.03.2017, in millions of euros



Source: HNB, (2018), <https://www.hnb.hr/statistika/statisticki-podaci/sektor-inozemstva/inozemna-izravna-ulaganja>, (accessed 10 June 2018)

The interpretation of the same speaks in favor of the following: 2003. The Croatian government sold the company of strategic importance to the Hungarian company Mol (it concerns the company Ina dd - oil company; URL1). In the same year Ina d.d. had 16084 employees, while in 2012 the number of employees was reduced to 13852 (Marić, 2013, 1). On December 31, Ina d.d. remained with 10861 employees (URL2). In 2003 Hungarian company Aquamarine d.o.o., bought 83.1% of the shares from the Government of the RC for tourism expansion on the island of Hvar (company Jelsa d.d.; URL3).

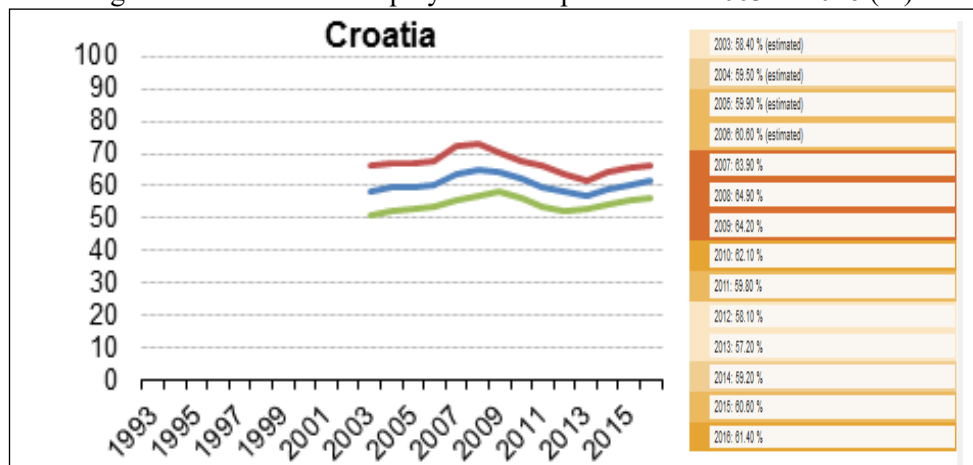
At that time, the company had 132 employees, but in 2008 the number was reduced to 80 with the announcement of the layoff of additional 30 employees (URL4). In April 25, 2016 the same company launched a pre-bakruptcy settlement (URL5). In 2014, the investment came with the opening of the Dutch company IKEA d.o.o. which employed 352 employees (URL6). On December 31, it recorded 351 employees (URL7). Impressive FDI inflows in 2014 were made by the Dutch

company Adria Group holding BV and Adria Group B.V. into the Croatian company Agrokor projects d.o.o. and thus became the main investor in the takeover of Mercator for that year (URL8). It is even more exotic to know that the owner of the company Adria group holding BV is Ivica Todorčić (URL9). Also, the company Agrokor projects was established in 2011 and had no employees until the end of 2017. That same Todorčić spilled "Croatian money" into the Netherlands, and with the same money he made a direct "foreign" investment in Croatia by purchasing his company. Italy was the main investor in 2016 with the acquisition of the Wood Industry Čazma (URL10). In 2014, the company had 120 employees (URL11). After the acquisition in 2016 it had 84 employees (URL12). In the first quarter of 2017, an investment was made from a Luxembourg company that appears as an investor in the strategically important company LNG Hrvatska d.o.o. founded in 2010, and in 2015 it had two employees (URL13). Data for 2018 are still not available, however, it is known that one of the well-known information companies in the RC, IN2 dd. sold to Canadian investor Constellation Software Inc. with 650 employees (Rosandić, 2018, 7). Certain time will have to pass to obtain accurate information on how many additional people are employed or dismissed. This year also announces direct foreign investment in the company Uljanik d.d. Pula which currently has 2600 employees. The future the company Uljanik anticipates with the number of employees can be assumed by logical conclusion.

Representative impacts of FDI on employment are quantitative and qualitative. Positive quantitative effects on the volume of employment include the number of newly created jobs resulting from the opening of a new branch or the promotion of suppliers and distributors to new employment; medium-term effects resulting from increased demand stimulated by increased efficiency and enterprise restructuring in the market; "Guarding" jobs by taking over businesses that are facing bankruptcy. Negative quantitative effects are the reduction of employment due to disinvestment and closure of affiliates; change in the home country strategy or company restructuring in the country of destination. Positive qualitative effects are the transfer of knowledge, skills and technology to domestic enterprises. Negative effects are manifested in lower wages in the country of destination; lower security if FDI is motivated by low labor a cost which consequently leads to changing the location of the investor. How the category of employment in the RC was moving as a regularly existent topic is presented in Figure 4 and 5. Figure 4 shows the level of employment in the RC for the period from 2003 to 2016, while Figure 5 shows the number of unemployed in RC for the period from 2004 to January 2018. By looking at the employment data, the "boom" of the level of employment that took place in 2008 ahead of the economic crisis is visible, where the share was 64.90% or the lowest number of unemployed of 236741 persons. Since 2009, there has been a decline in employment, that is, unemployment, up to 2013, when the peak of employment drops, i.e. growth of unemployment. Employment growth has been recorded from 2014 onwards. If the same is correlated with direct investment in the

RC, it can be concluded that in 2008 the highest level of investment from the very founding of the RC was recorded. This justifies the decline in employment due to the growth of investments. From the beginning of the Croatian crisis, from 2008 to 2013, FDI in 2013 was 79.83% lower than in 2008. At that time, employment was only 57.20%, i.e., 7.70% less than in 2008, and it can also be said that the decline in FDI results in a decline in employment. Namely, the lowest level of investment in the 21st century of the RC was experienced in 2015. Compared to very good 2014, the decline in investment was recorded by 91.76%. On the other hand, employment has been increasing gradually since 2013, and in 2015 the employment level was 60.60%, i.e. more by 1.40%. Based on this evidence, the likelihood of the correlation between FDI inflows in the RC and the growth of employment, i.e. the fall in unemployment, is very low. The segment of employment growth, i.e. the reduction of unemployment should also take into account the policy of the Government of the RC: how to define an employed person. A large number of people were deleted from the register of the unemployed, for one reason of "a person who does not seek a job", or the other reason - he goes abroad. According to analyzes, over the last four years, more than 200,000 of the most productive working population went abroad, due to higher wages and well-being. Wages abroad are higher, so workers can achieve higher wages in a rich country rather than in a less developed or a poor country. This confirms the Lucas rule (Grgić, Bilas, Franc, 2012, 42). In addition, the demographic aging of the population also affected the decline in unemployment (Podgornik, 2017, 1).

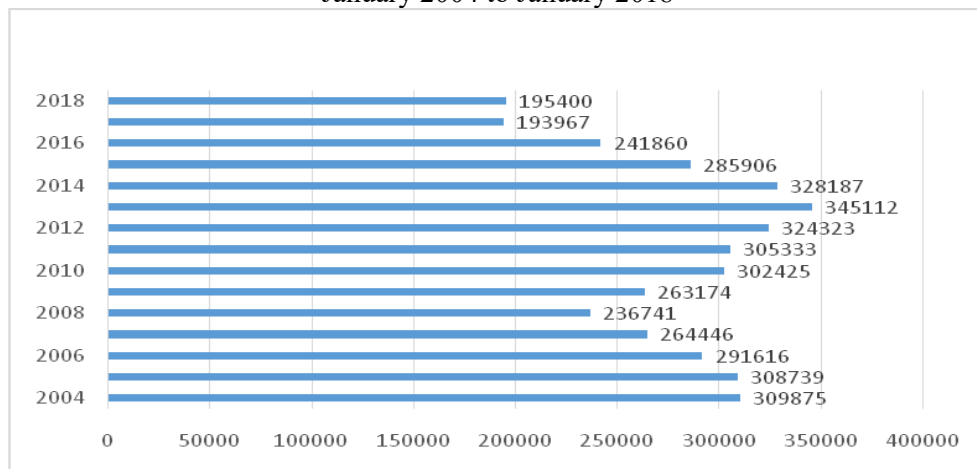
Figure 4. Overview of employees in the period from 2003 to 2016 (%)



Source. Eurostat. (2016). Statistic illustrated 2016

<http://ec.europa.eu/eurostat/web/lfs/statistics-illustrated>. (accessed 10 June 2018)

Figure 5. Overview of the number of unemployed in the Republic of Croatia, January 2004 to January 2018



Source: HZZ, (2017)

<http://statistika.hzz.hr/statistika.aspx?tipIzvjestaja=1>, (accessed 8 June 2018)

It is worth recalling the negative and positive consequences of FDI. Negative and positive consequences are questioning whether FDI and foreign trade are substitutes or complementary. The fact is, it all depends on the motives of MNC. In case the investment is made due to comparative advantages, most often cost, then foreign trade is increasing. In the case of investments due to the proximity of the market, then foreign trade is decreasing (Babić, 2008, 105). MNC motives directly affect employment in the RC. From this analysis it is clear that the RC is missing a Greenfield investment. Almost all investments are Brownfield investments. And that kind of investments? Those where MNCs invest mainly in service activities such as IT, financial services, tourism, then into commercial activities and in the exploitation of natural resources of the RC. What is the motive of MNC in the RC? By investing in Ina d.d. MNC took over power over energy. By investing in a tourist company Jelsa d.d. they did not make any additional value, on the contrary, unemployment multiplied and there was an outflow of labor. Ikea d.o.o. is currently being shown as a constant, a bright spot because as for now, the number of employees is still constant, however, there is no export because it is oriented to the proximity of the market. Who knows if the money will remain in the reinvested profit or will fly away to the mother company? Agrokor, a Croatian company that deceived its people, showed how the "best" do it. It is believed that at least a little bit of the Wood Industry of Čazma will provide a Croatian product, and not take away the raw material. LNG d.o.o. appears as a new liquefied gas company, of course imported. It is very questionable how it will be reflected in the future for employment. If 26 terminals in Europe operate with a deficit, maybe the RH still has a drug formula because the equation is easy to set. Croatian tradition of

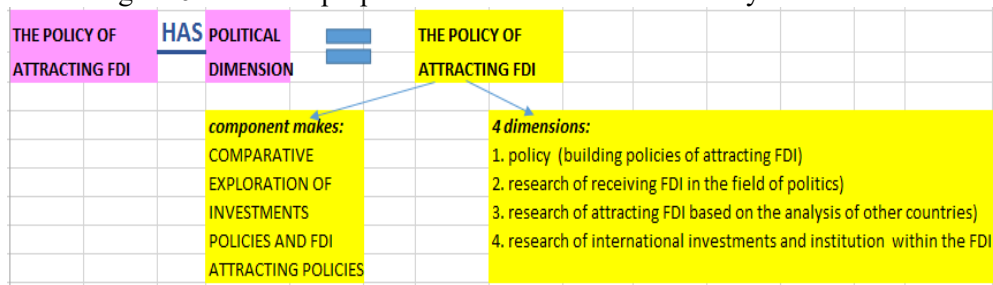
company Uljanik d.d. will probably experience the fate of the "Strategic Plan of the Agency for Investments and Competitiveness". In addition to job losses in Uljanik dd, there are job losses of cooperative companies as well as their winding-up. Unfortunately, there is a loss of Croatian identity. Uljanik d.d. is a tradition of the RC, a company founded in 1856 and has gone through all forms of political rule. The same company formed human lives and Croatian reality: opened and provided jobs, educated and branded Croatia - the city of Pula and enabled its economic growth. Will the government possibly write „lexUljanik“? It should be noted that these are companies in which the Government of the RC mediated in the provision of inflow. Such mediation leads to the emergence of a new phenomenon: political foreign investment (PFDI). Examples from the above text demonstrate political connections between companies and the Government of the RC. The impact of FDI and PFDI RC as the receiving country does not result in employment growth effects. On the contrary, the effect of "modern privatization", whose history has been known since 1991, has taken place. Privatization processes, of both production and service providers, enabled foreign investors to purchase shares in the largest and most important Croatian companies (Andrijanić, Pavlović, 2012, 286). The dominance of brownfield "general" and "political" investments in the RC does not preserve the sovereignty of neither the energy nor water supply. The fact is that each country, and the RC as well must have sovereignty in these areas with a minimum of 50% of the share. Managing and controlling major natural resources enables survival. If investment was contrary in its nature, in terms of well-established related policies, surely employment would be at a higher level. The Croatian civic (aligning the way of life with a different thinking and behavior, both for Europe and for Croatia) of being forces them to leave the trap in search of a better life. Unfortunately, a better life through the process of migration of Croatian society into "promised land" ultimately raises the level of employment. It is noted that the FDI in the RC as recipients is presented to the public as an incentive, and in fact are a trap for citizens of the RC. The fact is that these investments cannot be accepted as investments. Perhaps the Government of the RC should apply the correct unemployment theory of Economist Maynard Keynes where state measures can contribute to the return of the economy to full employment and growth (Stiglitz, 2009, 17). Can RC do better?

2.3. FDI of RC as the recipient - can it do better?

After deep thinking, it should not be held against one if one should pose a question: can RC do better? Political foreign direct investment makes the author think outside the box. One can always do better. Linked policies are needed which reflect a healthy, stable economic and political system. The method of attracting FDI in the RC is not an easy job, but it can be achieved by choosing the right strategy. Figure 6 shows a proposal for the application of the FDI Attraction Policy. The framework is presented with the conclusion that the policy of attracting FDI as a part of political science has a political dimension. Synergy creates a FDI Attraction

Policy, which consists of four dimensions: building FDI attractiveness policies; research on the receipt of FDI in the field of political aspect; investment attraction research based on analysis by other countries and the research of international investments and institutions within FDI. The compilation is a comparative study of investment policies and policies for attracting FDI.

Figure 6. View the proposal of the FDI Attraction Policy Framework



Source: Authorship, (2018), The framework was created based on the study of the methodological framework of globalization of "Simultaneous Diversity" reported by the Science and Higher Education Agency in 2018 by prof. dr. sc. Anđelko Milardović

Perhaps this framework would help the Government of the RC in drafting the eventful composition of investment incentives and hence selecting a strategy. In addition to that, perhaps it would help with exact analysis how much and how FDI affects employment in the RC and, of course, encourage changes.

3. CONCLUSION

Globalization has made it possible to "attach" to the rest of the modernity project. Expressive values such as knowledge, information, symbols and communication have become an imperative. Planetary power encouraged the movement of free international capital in a global village. The digital economy and networked policy are responsible for the freedom of capital movements that has become part of financial globalization. From a range of incentives to free movement of international capital, an important place is taken by the stimulus of foreign investment. The intricacy of neoclassical theory and neoliberal political economy has allowed for stronger interconnection and deeper integration of national economies. Consequently, there has been a change in the thinking of the ruling elites in terms of the importance of foreign direct investment. Such a consciousness has reached the ruling elites of the RC who apply the strategy of attracting FDI based on the attitude of pragmatic nationalism. FDIs are incorporated into the "national box" in the RC as one of the tools for achieving the benefits. The essence of the FDI of the RC consists of Greenfield investments presented in all strategic documents of the RC since the accession of Croatia into the EU. The research shows that all FDI inflows are predominantly brownfield by MNCs from the EU

countries provided by the Government of the RC. This created the phenomenon of political direct foreign investments. The methodology of the Croatian incentive to attract FDI created the "FDI Card in the RC", which was mediated by "modern privatization" with an effect on employment. The level of employment growth was noticed, but it was not influenced by FDI inflows. On the contrary, there has been a large amount lay-offs. In addition, the growth in employment has been supported by the Croatian policy of defining employed persons as well as migration of labor-productive into "promised lands". Unfortunately, the (aligning the way of life with a different thinking and behavior, both for Europe and for Croatia) of being of Croatian citizens with the process of migration ultimately raises the level of employment. The sources of FDI inflows in the RC affect negatively the employment in the RC, the demographic picture of Croatia and, finally, the overall economic growth of the RC. The reality of the RC shows that direct foreign investments actually seem more like "blackfield" investments. They are not an incentive but a trap for Croatian citizens. The recommendation to the ruling elites of the RC is to consider the application of a part of the Keynes theory. Apart from that, it would be worthwhile to dedicate oneself to the application of the guidance framework in the field of FDI Attraction Policy because the RC can do more and better.

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